

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1477-01
Bill No.: Perfected HB 491 with HCA 1
Subject: Licenses-Motor Vehicle, Motor Vehicles, Revenue Dept.
Type: Original
Date: March 19, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Highway Fund	\$0	\$128,687	\$53,106
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$128,687	\$53,106

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$0	\$32,873	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials with **Department of Transportation** and **Department of Public Safety** assume this proposal would have no impact on their organization.

Officials with the **Department of Revenue (DOR)** assume this proposal could allow biennial registration of driveaway permits and disabled placards. These biennial registrations could cause a shift in fee income for the registration. DOR assumes that in FY 05, half of the operators and holders of disabled placards would be offered biennial registration and half of those would accept. The revenue is based on an effective date of January 1, 2004. However, because the permits and placards are renewed in September and December respectively, there is not assumed to be any fiscal impact until FY 05.

DOR further assumes they could incur minimal cost for procedure changes and a savings for mailing renewals. **Oversight** assumes DOR could absorb the cost of the procedure changes. Oversight further assumes that the savings for mailing renewals could be an annual savings.

DOR- Information Technology Bureau (ITB) assumes they could need 425 hours to program the General Registration System.

ASSUMPTION (continued)

FY 05

695 Biennial Driveaway registration *\$89	\$61,855
695 Annual Driveaway registration reduction*\$44.50	(\$30,928)
78,567 Biennial Disabled Placards*\$4	\$314,268
78,567 Annual Disabled Placards*\$2	(\$157,134)
Programming Cost	<u>(\$12,360)</u>
Total	\$175,701

FY 06

695 Biennial Driveaway registration *\$89	\$61,855
1390 Annual Driveaway reduction*\$44.50	(\$61,855)
78,567 Biennial Disabled Placards*\$4	\$314,268
157,134 Annual Disabled Placards reduction*\$2	(\$314,268)
Administrative savings for renewals (79,262*\$.67)	<u>\$53,106</u>
Total	\$53,106

FY 07

695 Biennial Driveaway registration *\$89	\$61,855
1,390 Annual Driveaway registration reduction*\$44.50	(\$61,855)
78,566 Biennial Disabled Placards*\$4	\$314,268
157,132 Annual Disabled Placards reduction*\$2	(\$314,268)
Administrative savings for renewals (79,262*\$.67)	<u>\$53,106</u>
Total	\$53,106

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
HIGHWAY FUND			
<u>Income-Department of Revenue</u>			
Biennial Registration for Driveaway	\$0	\$23,196	\$0
Biennial Registration for Placards	<u>\$0</u>	<u>\$117,851</u>	<u>\$0</u>
<u>Total Income-DOR</u>	<u>\$0</u>	<u>\$141,047</u>	<u>\$0</u>
<u>Cost Savings-Department of Revenue</u>			
Mailing of renewals*	<u>\$0</u>	<u>\$0</u>	<u>\$53,106</u>
<u>Cost-Department of Revenue</u>			
Programming	<u>\$0</u>	<u>(\$12,360)</u>	<u>\$0</u>
NET ESTIMATED EFFECT ON HIGHWAY FUND	<u>\$0</u>	<u>\$128,687</u>	<u>\$53,106</u>

*This cost saving could be an annual savings.

<u>FISCAL IMPACT - Local Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
LOCAL FUNDS			
<u>Income-Cities</u>			
Biennial Registration for Driveaway	\$0	\$4,639	\$0
Biennial Registration for Placards	<u>\$0</u>	<u>\$23,570</u>	<u>\$0</u>
<u>Total Income-Cities</u>	<u>\$0</u>	<u>\$28,209</u>	<u>\$0</u>
<u>Income-Counties</u>			
Biennial Registration for Driveaway	\$0	\$3,093	\$0
Biennial Registration for Placards	<u>\$0</u>	<u>\$1,571</u>	<u>\$0</u>
<u>Total Income-Counties</u>	<u>\$0</u>	<u>\$4,664</u>	<u>\$0</u>
NET ESTIMATED EFFECT ON LOCAL FUNDS	<u>\$0</u>	<u>\$32,873</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

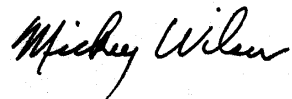
DESCRIPTION

This proposal could allow biennial registration of Driveaway and Disabled Placards.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Transportation
Department of Public Safety



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Director
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